

392

CENTRAL INTELLIGENCE AGENCY REPORT

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THIS IS UNEVALUATED INFORMATION

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- A. One of the Rumanian State enterprises is the ICM (Enterprise for Collection of Metals), which operates under the MINIC (Ministry of Metallurgy and Chemical Industry). ICM's task is the collection of all unserviceable ferrous and non-ferrous metal objects, including old cars, machinery, tools and scrap.
- B. ICM was set up in February, 1951, as an independent enterprise, the only institution responsible for the collection of metals. Strict orders were issued by the Rumanian Cabinet Council, ordering all institutions state enterprises and industries as well as the Sovroms and all private companies, to deliver all unserviceable metal objects and scrap materials to ICM.
- C. There exists a serious shortage of metals in Rumania (especially of non-ferrous metals like bronze, brass, copper, aluminum, tin and lead), and the estimates of the general production plan are not being attained. The trading of metals has been strictly prohibited, even between state enterprises and industries; and those industries which have foundries of their own are not permitted to use their own scrap materials. Furthermore, there exists a ban on the manufacture of any objects of non-ferrous metals, a ban applying to the big industrial concerns as well as to the cooperatives and workshops. By delivering all scrap to ICM the directors of the country's general production plan hope to reach the goal set up by the plan.
- D. In the distribution of the collected metals by ICM, top priority is given to war industry requirements.

A. Main office of ICM is at Strada Nicolae Iorga No. 8, Bucharest, staffed by sixty or seventy officials. Approximately 1200 are employed by the various regional branches.

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## CENTRAL INTELLIGENCE AGENCY

- 2 -

50X1-HUM

- B. The Department within the Ministry of Metallurgy and Chemical Industry which supervises ICM is called DGAR (General Directorate for supply and distribution).
- C. ICM is run by a board of directors, consisting of a manager, an assistant manager, and an administrative director. The first two are responsible for the technical control and direction of the enterprise. Administrative and financial matters are the joint concern of all three, none of them having authority to decide without obtaining the agreement of the others.
- D. The departments of ICM are as follows:
1. Collection Department, consisting of a transport section, a collection section, and a section for Naval collections. This is the operational department of the enterprise.
  2. Planning Department, divided into a section for collection and a section for transport.
  3. Utilization Department, not all of the unserviceable objects collected are smelted down. Some are resold in their original form and some are dismantled and sold piecemeal. The Utilization Department supervises these operations.
  4. Administrative Department, Finance & Accounting Department and Staff Department ("Cadre").
  5. Regional Branches. There are 28, located in the main towns of the various districts of Rumania. Every branch has a number (the Bucharest branch is Regional Branch Number 12, Bucharest). Every branch, organized in the same way as the head office, has in its charge a number of depots which are located in its vicinity.
- E. Collections. An inspector of ICM is permanently stationed with all big industries, in order to organize collections. The head office of ICM controls and coordinates the collections and distributions in accordance with orders received from the Ministry, but the regional branches are responsible for finding the materials and arranging for their transportation to the depots. There are also inspectors responsible for preventing pilferage both during collections and during transport; these inspectors take an active part in the stealing. At the Rodnica military depot, which is one of the depots in the Bucharest area (near the Filaret railway station), the collected materials are cut up into plates measuring 1.40 m/0.40 m., which is the suitable size for the smelting furnaces. Apparently this is done at all places of collection.
- F. Ferrous metals are priced at 0.40 Lei per kg. of scrap. Non-ferrous metals are insufficient for carrying out the ICM program. It is believed that about 6500 tons of ferrous metals are to be collected throughout the country during the year, and that forty percent of this quantity is to be supplied by Branch Number 12, Bucharest.
- G. In Rumanian industries, fearing failure to fulfill the quota fixed under the "plan," the attempt is made constantly to reduce the quota to the point where it can be fulfilled or, preferably, surpassed (so that a production bonus may be "earned"). To do this various schemes are tried out; the most popular is to dispose of machinery and vehicles which are delaying production, or which can be at least declared old and used. ICM normally accepts such machinery upon the evidence of an official report declaring the machinery unserviceable. Such machinery becomes, then, a business item for the heads of the various departments of ICM who sell them to either artisan cooperatives (which have greater pay-

50X1-HUM  
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CENTRAL INTELLIGENCE AGENCY

- 3 -

50X1-HUM

ment facilities, as most of them are just camouflaged private enterprises) or private persons and plants by devious means. All this is known to the CP, and the Party sees to it that the department heads, all of whom are Party members, are exchanged every three months so that every department head will be able to make some profit. This procedure is called "exchange of experience."

- H. There exist utilization departments in all state institutions, enterprises and industries, and even in the Army. These departments do not part easily with their unserviceable machines. Owing to the strict regulations presently in existence, the most they can do is remove the most important parts of such machinery before turning the machinery over to ICM.
- I. The collected metals are sent to the following factories for smelting: Resita Works; Hunedoara iron and steel enterprises; Otelul Rusu; a small foundry at Bacau (formerly Davidovici); Sovromtractor, Brasov; IAR, Brasov; and IMD, Braila.

III. [redacted] personalities:

50X1-HUM

- a. Ion Beiu, head of Branch Number 12-- [redacted]
- b. Calin, head of administrative department of ICM-- [redacted]
- c. Campoducio, head of staff department of ICM (Cadre). [redacted]
- d. Cohn, head of utilization section of Branch 12 [redacted]
- e. Sandu Constantinescu, head of administrative section of Branch 12-- [redacted]
- f. Eotvos, manager of ICM-- [redacted]
- g. Felea, general manager of DGAR [redacted]
- h. Gaudian, head of collection section of Branch 12-- [redacted]
- i. Heller, Assistant Manager of ICM, [redacted]
- j. Marcov, Assistant Head of Branch 12-- [redacted]
- k. Nathan Margarit, former head of administrative department of ICM-- [redacted]
- l. Militineanu, head of collection department of ICM [redacted]
- m. Pansaru, head of utilization department of ICM-- [redacted]
- n. Rotenstein, head of collection and transport section of ICM-- [redacted]
- o. Tulea, head of planning section of Branch 12-- [redacted]
- p. Weissman, head of planning department of ICM-- [redacted]

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